Calcillion,



0000169798

TO:

Docket Control

Arizona Corporation Commission

FROM:

Tom Broderick

Director

Utilities Division

W APR 19 2016

DOCKETED BY

RECEIVED

2016 APR 19 P 2: 42

AZ CORP COMMISSION DOCKET CONTROL

DATE:

April 19, 2016

RE:

RIO RICO UTILITIES, INC. DBA LIBERTY WATER - REQUEST FOR EXTENSION OF COMPLIANCE DEADLINE. (DOCKET NO. WS-02676A-

11-0134 – DECISION NO. 74383)

In Decision No. 72732, dated January 6, 2012, the Arizona Corporation Commission ("ACC" or "Commission") approved the application of Rio Rico Utilities, Inc. ("Rio Rico" or "Company") for a Certificate of Convenience and Necessity ("CC&N") to provide water service in Santa Cruz County, Arizona.

As part of Decision No. 72732, the Commission ordered the following:

"... Rio Rico Utilities, Inc. d/b/a Liberty Water shall file with Docket Control, as a compliance item in this docket, within two years of the effective date of this Decision, copies of Windward's Certificates of Approval to Construct from the Arizona Department of Environmental Quality for the plant necessary to serve Windward Development."

Windward Partners XIV, LLC ("Windward") is the developer of the Palo Parado development which is a property to be served by Rio Rico.

Based on the date of Decision No. 72732, the above compliance requirement was originally due on or before January 6, 2014. On November 12, 2013, Rio Rico filed for an extension of time seeking to extend the January 6, 2014 due date until January 6, 2016. Decision No. 74383, dated March 19, 2014 extended the due date on the ATC requirement until January 6, 2016.

On February 4, 2016, Rio Rico docketed another request for extension of time seeking to extend the ATC due date from January 6, 2016 until January 6, 2018. The required ATC relates to the infrastructure needed to serve the Palo Parado development. Winward has not obtained the required ATC's due to the existing development landscape in Santa Cruz County.

The current application included a letter from Winward supporting the Company request for extension of time on the ATC requirement. The Winward letter stated that "the market for an upscale or any residential development in Santa Cruz County is still at a complete standstill." The letter requests that the Commission provide a further extension of time on the ATC requirement.

Based on the foregoing, Staff does not object to the Company's request for an extension of time in this matter and recommends a 10-year extension of time for the ATC requirement outlined

Rio Rico Utilities, Inc. dba Liberty Utilities Docket No. WS-02676A-11-0134 Page 2

above. Staff therefore recommends that the Commission extend the due date until January 6, 2026 for the provision of the ATC on the plant necessary to serve Windward Development.

TMB:BKB:nr/BH

Originator: Brian K. Bozzo

SERVICE LIST FOR: RIO RICO UTILITIES, INC. DOCKET NO. WS-02676A-11-0134

Mr. Patrick J. Black FENNEMORE CRAIG, PC 2394 East Camelback Road, Suite 600 Phoenix, Arizona 85016-3429

Mr. Thomas M. Broderick Director, Utilities Division Arizona Corporation Commission 1200 West Washington Street Phoenix, Arizona 85007

Ms. Janice Alward Chief Legal Counsel, Legal Division Arizona Corporation Commission 1200 West Washington Street Phoenix, Arizona 85007

Mr. Dwight Nodes Chief Administrative Law Judge, Hearing Division Arizona Corporation Commission 1200 West Washington Street Phoenix, Arizona 85007